



Date: March 18, 2009

To: State Representative Kate Ebli, Chairperson, House Taxation Policy Committee
House Taxation Policy Committee Members

From: Rebecca Park, State Governmental Affairs

Re: Testimony on HB 4218

House Bill 4218

I apologize for not being available to attend the House Taxation Policy Committee meeting on HB 4218 but appreciate the opportunity to provide written comment. Today is Ag Day at the Capitol and there will be an opportunity for each of you to sample agriculture's diversity at our fifth-annual event at the Capitol. Over 30 commodity organizations are participating this year to showcase the \$71.3 billion agriculture industry. We look forward to seeing you later today.

HB 4218 would provide farmers who have incorporated as an LLC the opportunity to defer their winter taxes until summer. The bill does not forgive any tax liability a farmer may incur, merely changes the time of year in which the taxes are paid. Farm Bureau policy supports HB 4218 as it applies to farmers who have incorporated as an LLC.

Farm Bureau Policy specifically reads: "We support changes to the summer tax collection providing for a life-time deferment of summer tax for qualified agricultural land if the owner files a federal Schedule "F" Income Tax Form or comparable farm income tax filing." As the policy states, we would also support any amendments to the bill that would allow partnerships to also take advantage of this opportunity to defer their summer taxes.

Again, thank you for your time in considering this important legislation.